GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:3829
ANSWERED ON:22.08.2005
ARTIFICIAL TRADE OF STEEL
Khaire Shri Chandrakant Bhaurao

Will the Minister of STEEL be pleased to state:

(a) whether the manufacturers getting steel under the small manufacturers booking scheme are responsible for the artificial trade of steel;

(b) if so, the efforts being made by the Government to check such trade;

(c) the steps taken by the Government to promote the investments in steel sector; and

(d) the details thereof?

Answer

MINISTER OF CHEMICALS & FERTILISERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) The Government has received no information on any kind of artificial trade of steel which has been sold under the small manufacturers booking scheme.

(b) Does not arise in view of (a) above.

(c)&(d): To promote investment in steel sector, the Government has delicensed the iron and steel industry and has removed it from the list of industries reserved for the public sector. Pricing and distribution of steel have also been deregulated. To facilitate induction of latest technologies, import of technology has been liberalized. To support availability of adequate finance, 100% Foreign Direct Investment is permitted in this sector under the automatic route. Customs duty on raw materials have been progressively reduced to meet the requirements of the industry as also to reduce the cost of production of steel. Certain restrictions have been placed on export of high-grade raw materials so as to ensure sustained availability of these raw materials for domestic industry.